JTA TARIFF STRUCTURE

The JTA tariff for 2006 remain the same as those in 2005.At the October 25-27, 2004 meeting of the Argos Joint Tariff Agreement (JTA) in Chennai, India, agreement was reached on a structure for a new Tariff to begin January 2005. All U.S. Argos usage beginning January 2005 will be calculated and invoiced according to the new structure. A description of the new Tariff structure is provided below. Users can calculate expected costs for their Argos program using the **US Tariff Estimation Form.**

Help
For clarification, questions, or help, please contact SAI User Services (DUS@argosinc.com) or Client Services (DCS@argosinc.com), 301-925-4411.

Benefits to Users
The new structure is simple, comprehensive and flexible, cost-efficient, and globally consistent. The main features are itemized below:
   • Simple accounting: a monthly charge per active PTT and a PTT-day rate
   • Users are invoiced quarterly only from Service Argos (SAI) and on actual consumption – no more advanced payment required
   • Only two categories of service: 1) Basic Service -Location and Data Collection, and 2) Inactive Service (free of charge)
   • Multi-satellite service, Auxiliary Location Processing (ALP) and dual-processing are included in the Basic Service
   • No more surcharge for more than 6 locations/10 data collections
   • Additional services such as Databank, Automatic Distribution Service (ADS), and Processing Modifications are not included in the Basic Service and are invoiced separately when they are required as they are today

Cost Calculation, Accounting Units, Time Slots
The cost will be calculated according to the following formula:

PTT cost per month = **A** + [**B x** the number of platform day units]

where: - **A** represents the monthly charge per active PTT (an active PTT is one that transmits at least once during a given calendar month)
          - **B** represents the PTT-day rate.
          - For some PTT categories, the day is divided into 4 time slots (0 - 6; 6 - 12; 12 - 18; 18 – 24 hours). Any PTT transmission collected into a given time slot produces a 0.25 day unit.

In addition, to allow for various platform types to be taken into account, the coefficient **B,** the PTT-day rate is computed as:

$$B = B_1 + B_2$$

where: - B_1 takes into account the volume of data transmitted and

- B_2 takes into account the workload required to deal with the platform

The coefficient **A** is $13.90 for the 2005 Agreement. **B₁** and **B₂** are as follows for each different category:

Category	B₁	B₂	Total B=(B₁+B₂)
Full Time on	$2.80	$2.80	$5.60
Fixed Station	$1.40	$1.40	$2.80
Animal	$2.80	$5.60	$8.40
Float	$5.60	$2.80	$8.40

Full Time on – PTT's in this category are those which transmit continuously 24 hours per day

Fixed Station – PTT's in this category are those that transmit continuously and which under the old Tariff structure were subscribed in the data collection only and/or back-up categories

Animal – PTT's in this category are those transmit on either a designed in (by the manufacturer) duty cycle or on an effective duty cycle as with many animals

Float – PTT's in this category are those that are attached to autonomous profiling floats which transmit for a predetermined length of time (typically 5-18 hours) only when they come to the ocean surface which is typically every 10 days

Example A (Full Time on):   A drifting buoy that transmits continuously every day will incur the following monthly charge:

PTT cost per Month = $13.90 + [$5.60 x 30 day units]

<u>= **$181.90**</u>

Example B (Non-Continuous):   A bird carrying a PTT that is designed to transmit every day in the month but only 8 hours per day will typically be heard from in 2 daily time slots (possibly 3 on occasion) and will incur the following monthly charge:

PTT cost per Month = $13.90 + [$8.40 x .5(30 days)]

{note: the .5 comes from transmissions in only 2 time slots, i.e. 2 x .25 day units = .5}

= **$139.90**

Estimate Your Cost

Users can calculate expected costs for their Argos program using the **US Tariff Estimation Form**

Quantity Discount for large programmes on "B" coefficient

The 2005 agreement also includes a discount to programs using a large number of platforms, under the condition that those programs are funded and managed by a unique organization. The quantity discount is based upon the number of Platform-years (a platform-year is a platform transmitting every day in the month, in full-time, 12 months per year). The table below provides the agreed upon discount structure:

PTT-years	B
300	$4.70
600	$3.70
900	$2.80